



OFFICE OF THE COUNTY EXECUTIVE


Marc Elrich
County Executive

Tiffany Ward, Director
Office of Racial Equity and Social Justice

MEMORANDUM

June 30, 2021

To: Jennifer Bryant, Director
Office of Management and Budget

From: Tiffany Ward, Director
Office of Racial Equity and Social Justice 

Re: Supplemental Appropriation: ARPA REIA Special Appropriation #21-534

- I. **FINDING:** The Office of Racial Equity and Social Justice finds that Special Appropriation #21-534's racial equity and social justice impacts are inconclusive. Given the eligible programs in the County's General Fund, who these programs serve, and the principles outlined in the Interim Rule, there is potential for this Special Appropriation to advance racial equity, but there is insufficient information for drawing a conclusion.
- II. **BACKGROUND:** Special Appropriation #21-534 allows the County to use \$91.95 million in federal funds under the Federal American Rescue Plan Act (ARPA) to offset calculated revenue losses resulting from Covid-19 for FY21. The funding will be deposited in the County's General Fund and will be used to offset expenditures incurred on or after March 3, 2021 that meet Federal Interim Rule criteria.

The National Association of Counties offers an overview of the Federal Interim Rule governing eligible uses of the funds, noting in several places consideration of those most disproportionately impacted by negative economic impacts of Covid-19 as well as recognition of public health disparities affecting low-income and Native American communities. Researchers from the Brookings Institution add that the rules provide for even greater flexibility for spending in lower income neighborhoods, tribal government

spending, and spending targeted to “other populations, households, or geographic areas disproportionately impacted by the pandemic.”¹

According to information provided by the Office of Management and Budget, the County Controller’s Office will determine what specific expenditures will be funded with these dollars from an accounting and auditing perspective.

cc: Ken Hartman, Director, Office of Strategic Partnerships
Joshua Watters, Analyst, Office of Management and Budget

¹ Eli Byerly-Duke and Alan Berube. “Four takeaways on new guidance for state and local fiscal relief under the American Rescue Plan”. *The Avenue*. The Brookings Institution. <https://www.brookings.edu/blog/the-avenue/2021/05/13/four-takeaways-on-new-guidance-for-state-and-local-fiscal-relief-under-the-american-rescue-plan/>.